

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

BIOVAIL LABORATORIES INTERNATIONAL SRL)
a corporation of Barbados,)
)
Plaintiff,) C.A. No. 05-586 (KAJ)
)
v.)
)
ANDRX PHARMACEUTICALS, LLC and)
ANDRX CORPORATION,)
)
Defendants.)
_____)

**BIOVAIL'S REPLY TO THE COUNTERCLAIMS OF
ANDRX PHARMACEUTICALS, LLC AND ANDRX CORPORATION**

Plaintiff Biovail Laboratories International SRL (“Biovail”) replies to the Counterclaims of Defendants Andrx Pharmaceuticals, LLC and Andrx Corporation (collectively “Andrx”). The paragraph numbers used here conform to those used by Andrx in its “Answer, Affirmative Defenses and Counterclaims,” dated September 26, 2005.

To the extent any of paragraphs 1-18 of Andrx's Answer are determined in whole or in part to state counterclaims or the basis for counterclaims, Biovail incorporates by reference paragraphs 1-18 of its Complaint, and deny each and every additional averment contrary to the averments in Biovail's Complaint contained in Andrx's paragraphs 1-18.

To the extent any of paragraphs 19-24 of Andrx's denials and affirmative defenses are determined to state counterclaims, each and every one of the averments therein is denied, except to the extent admitted in Biovail's responses to paragraphs 25-35 below.

DEFENDANTS' COUNTERCLAIMS

25. Biovail admits that Andrx purports to claim jurisdiction under various sections of Title 28 of the United States Code and Rule 13 of the Federal Rules of Civil Procedure. Biovail states that there is now a justiciable controversy between it and Andrx concerning the infringement of United States Patent No. 5,529,791. Except as admitted, Biovail denies the averments of paragraph 25 of the Counterclaims.

FIRST COUNTERCLAIM

26. Biovail denies the averments of paragraph 26 of the Counterclaims to the extent that they incorporate the averments of paragraphs 20-24, and incorporates by reference its response to paragraph 25.

27. Biovail denies the averments of paragraph 27 of the Counterclaims.

SECOND COUNTERCLAIM

28. Biovail denies the averments of paragraph 28 of the Counterclaims to the extent that they incorporate the averments of paragraphs 20-24, and incorporates by reference its response to paragraph 25.

29. Biovail denies the averments of paragraph 29 of the Counterclaims.

THIRD COUNTERCLAIM

30. Biovail denies the averments of paragraph 30 of the Counterclaims to the extent that they incorporate the averments of paragraphs 20-24, and incorporates by reference its response to paragraph 25.

31. Biovail denies the averments of paragraph 31 of the Counterclaims.

FOURTH COUNTERCLAIM

32. Biovail denies the averments of paragraph 32 of the Counterclaims to the extent that they incorporate the averments of paragraphs 20-24, and incorporates by reference its response to paragraph 25.

33. Biovail denies the averments of paragraph 33 of the Counterclaims.

FIFTH COUNTERCLAIM

34. Biovail denies the averments of paragraph 34 of the Counterclaims to the extent that they incorporate the averments of paragraphs 20-24, and incorporates by reference its response to paragraph 25.

35. Biovail denies the averments of paragraph 35 of the Counterclaims.

WHEREFORE, Biovail respectfully requests that:

a. This Court dismiss the Counterclaims and adjudge that Andrx is not entitled to the relief sought, or any other relief, on its First, Second, Third, Fourth, or Fifth Counterclaims.

b. This Court award Biovail the relief prayed for in its Complaint.

MORRIS, NICHOLS, ARSHT & TUNNELL

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October 19, 2005

CERTIFICATE OF SERVICE

I, Melissa Stone Myers, hereby certify that on October 19, 2005 I electronically filed Biovail's Reply to the Counterclaims of Andrx Pharmaceutical, LLC and Andrx Corporation with the Clerk of the Court using CM/ECF, which will send notification of such filing(s) to the following:

William J. Cattie, III
Rawle & Henderson LLP

I also certify that copies were caused to be served on October 19, 2005 upon the following in the manner indicated:

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